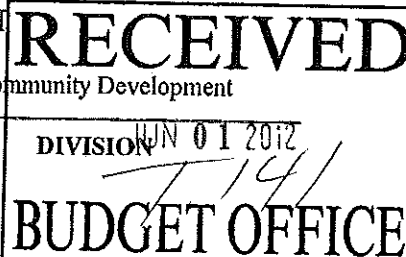


CITY OF MEMPHIS  
COUNCIL AGENDA CHECK OFF SHEET

Housing & Community Development



COMMITTEE: HCD  
DATE: June 1, 2012  
PUBLIC SESSION:  
DATE: June 19, 2012

ITEM (CHECK ONE)

☐ ORDINANCE ☐ CONDEMNATIONS ☐ GRANT ACCEPTANCE/AMENDMENT  
☒ RESOLUTION ☐ GRANT APPLICATION ☐ REQUEST FOR PUBLIC HEARING  
☐ OTHER

ITEM DESCRIPTION:

Resolution approving a budget amendment to appropriate the receipt of the Pyramid Bridge Loan proceeds in the amount of \$11,914,000.00 and allocating the proceeds as substitute funding for other previously approved City projects

RECOMMENDED COUNCIL ACTION:

PRIOR ACTION ON ITEM:

☐ APPROVAL - (1) APPROVED (2) DENIED  
☐ DATE  
☐ ORGANIZATION - (1) BOARD/COMMISSION  
(2) GOV'T ENTITY (3) COUNCIL COMMITTEE

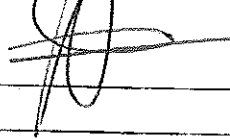
FUNDING: ☒ Allocated in Current Fiscal Year ☐ Allocated in Prior Fiscal Year

☐ REQUIRES CITY EXPENDITURE - (1) YES (2) NO  
\$ ☐ AMOUNT OF EXPENDITURE  
\$ 11,914,000.00 REVENUE TO BE RECEIVED

SOURCE AND AMOUNT OF FUNDS

\$ ☐ OPERATING BUDGET  
\$ ☐ CIP PROJECT #  
\$ 11,914,000.00 FEDERAL/STATE/OTHER

ADMINISTRATIVE APPROVAL:

	DATE	POSITION
	<u>6/4/12</u>	DIRECTOR (Requesting Division)
		DIRECTOR (JOINT APPROVAL)
		COMPTROLLER
		BUDGET MANAGER
		FINANCE DIRECTOR
		CITY ATTORNEY
		SR. ASSISTANT CITY ATTORNEY

CHIEF ADMINISTRATIVE OFFICER DATE

COUNCIL COMMITTEE CHAIRMAN DATE



## Memphis City Council Summary Sheet

1. Resolution approving a budget amendment to appropriate the receipt of the Pyramid Bridge Loan proceeds and allocating the proceeds as substitute funding for other previously approved City projects.
2. Initiating Party: Division of Housing and Community Development, at the request of the Division of Finance.
3. This is a change to existing resolutions dated May 17, 2011 and December 20, 2011.
4. This does not require a new contract or a change to an existing contract.
5. This is a budget amendment.

## RESOLUTION

**WHEREAS**, on August 16, 2011, the Council of the City of Memphis passed a resolution requesting Center City Revenue Finance Corporation ("CCRFC") issue and sell, at one time or from time to time, Bonds in an aggregate principal amount necessary to fund the project costs for the Pyramid Redevelopment Project (the "Project") which, when received by the City of Memphis shall be allocated and appropriated for the Project; and

**WHEREAS**, as part of the project cost, the Lonestar Acquisition, the Landlord's Work, the Seismic Work, Bass Pro's Work, the Float Loan repayment and the Convention Center Acquisition were duly authorized; and

**WHEREAS**, the Lonestar Acquisition and the Convention Center acquisitions and the Float Loan repayment have been completed; and

**WHEREAS**, the funding of the \$11,914,000 BEDI and Section 108 bridge loan, as the partial funding for the Landlord's Work and the Seismic Work, has been completed and the repayment of the bridge loan has been requisitioned from and transferred by the Bond Trustee and receipted by the Division of Housing and Community Development, as payment in full of the Pyramid Redevelopment Project Bridge Loan # 845001; and

**WHEREAS**, as per the review and determination of the U. S. Department of Housing and Urban Development ("HUD"), the loan payoff proceeds, which no longer act as bond proceeds, will not be classified as federal program income, relative to the definition of federal program income found at CFR §24 CFR 570, but rather as other city funds; and

**WHEREAS**, on May 17, 2011, the Council of the City of Memphis approved a resolution for funding for the Great American Steamboat Company project ("GASC") in the amount of Nine Million Dollars (\$9,000,000) in Section 108 funds for the relocation of the GASC to the City of Memphis and the refurbishment of the American Queen; and

**WHEREAS**, although the GASC resolution authorized the application for the HUD Section 108 loan, the subsequent reduction in its annual CDBG entitlement lowered the City's Section 108 capacity to a point which does not support an application for the GASC, therefore, the City is now desirous of funding the reimbursement for all project costs expended to-date, from alternate sources, which include, in part using other federal funds and a portion of the bridge loan repayment proceeds; and

**WHEREAS**, on December 20, 2011, the Council of the City of Memphis approved a resolution for funding for the development Overton Square Detention Pond/Garage Project which included, in part, a Five Million Dollars (\$5,000,000) appropriation and allocation of federal funding to be determined by January 3, 2012, or from the City's reserves, if necessary; and

**WHEREAS**, the City has determined that the use of five million dollars in either federal funds or City reserve funds is no longer feasible and is now desirous of funding the \$5,000,000 from an alternate source, which include, in part using a portion of the bridge loan repayment proceeds; and

**WHEREAS**, in order to meet its funding obligations for the previously approved GASC and Overton Square projects, the City is now desirous of using a portion of the bridge loan repayment proceeds as substitute funding as follows: GASC-\$5,608,000; Overton Square/Garage-\$5,000,000; and HCD Projects-\$1,306,000 to continue the City's redevelopment efforts through these projects; and

**WHEREAS**, it is now necessary to amend the FY2012 Operating Budget by approving the budget amendment to allocate the bridge loan repayment proceeds in the amount of \$11,914,000 (Eleven Million, Nine Hundred and Fourteen Thousand Dollars) and to appropriate the funds as provided below.

**NOW, THEREFORE, BE IT RESOLVED**, by the Council of the City of Memphis that the FY 2012 Operating Budget be amended to appropriate the Pyramid Bridge Loan #845001 repayment proceeds in the amount of \$11,914,000 (Eleven Million, Nine Hundred and Fourteen Thousand Dollars) is hereby approved and is hereby allocated and credited as follows:

Project:	CD90004-Compliance & Reporting
Fund:	0205
Expenditure Type:	GASC
Award #:	12546
Funding Amount:	\$5,608,000.00

Project:	CD90004-Compliance & Reporting
Fund:	0205
Expenditure Type:	Overton Square/Garage
Award #:	12546
Funding Amount:	\$5,000,000.00

Project:	CD90004-Compliance & Reporting
Fund:	0205
Expenditure Type:	HCD Projects
Award #:	12546
Funding Amount:	\$1,306,000.00